

Where Do Highway User Fees Go?

During the Proposition B campaign, highway user fees were often discussed. In Fiscal Year 2001 highway users in Missouri paid nearly \$1.2 billion in taxes, licenses and fees dedicated for state roads and bridges. These include 17 cents per gallon in state fuel tax, sales and use taxes on vehicles, and fees to license vehicles and operators.

Most Missourians believe these highway user fees are used to build and repair state roads and bridges. Much of the money they think is going to their highways – isn't.

Sixty-one cents of every dollar goes to MoDOT for improving the state highway system. State law requires that much of the rest go to city and county governments, as well as other state agencies.

In 1992 the state legislature approved a 6-cent fuel tax increase to help pay for 15 years worth of highway improvements. **Of this 6 cents, 2.3 cents came to MoDOT in FY01.** That amounts to 38 percent of this revenue available to address these improvements.

The Missouri Constitution requires that all state revenue derived from highway users, after specified refunds, allocations to cities and counties, and appropriation of specified costs, must be credited to the State Road Fund and stand appropriated without legislative action to be expended under the Missouri Highways and Transportation Commission's supervision and direction for specified state highway purposes.

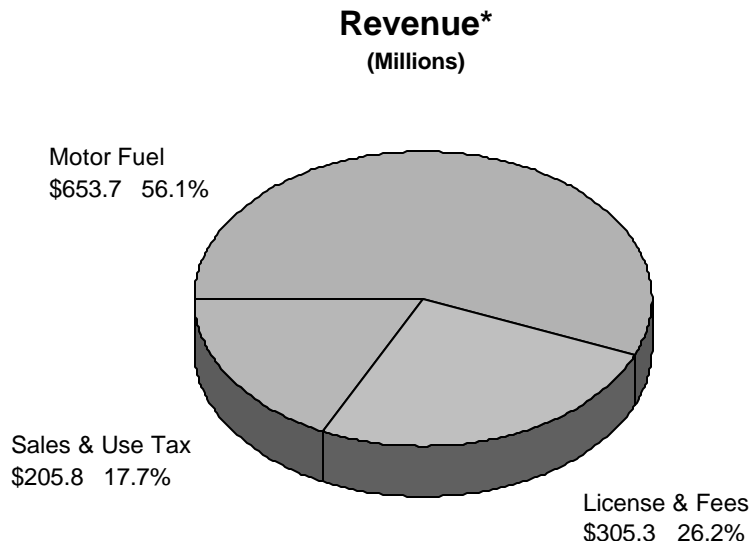
A recent state auditor's report (No. 2001-47: Use of Highway Funds by Other State Agencies, 6/19/01) said some state agencies are spending highway user fees in a manner inconsistent with the state constitution, and recommended that the governor and legislature review the proper use of this revenue and require agencies to justify their funding from highway user fees.

With travel increasing and roads wearing out faster every year, MoDOT must maximize the user fees at its disposal to keep Missouri's highways safe and driveable. And by spending all highway user fees appropriately, MoDOT and other state agencies will help build public trust in government.

The following charts illustrate MoDOT's revenue sources and where the money is spent, as well as highway user fees' impact on the average Missouri motorist.

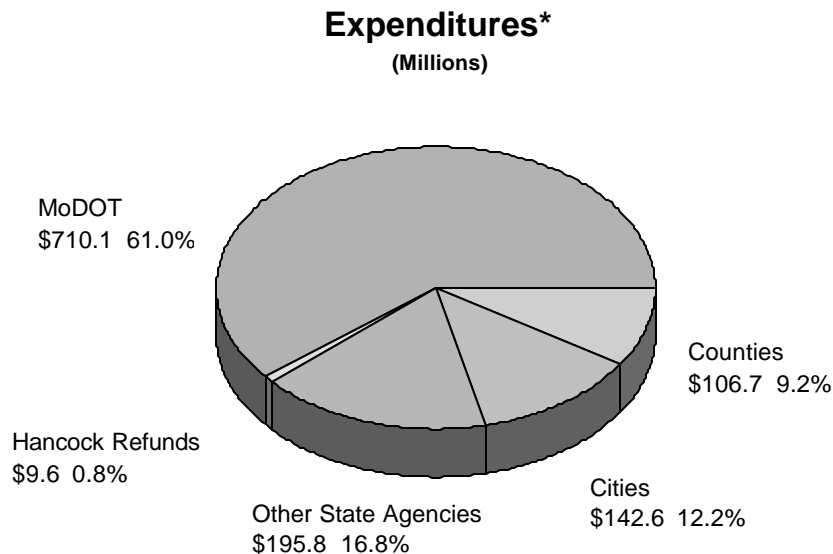
Revenue and Expenditures from State Highway User Fees

This chart shows what was collected in highway user fees for roads and bridges through the state's 17 cent per gallon fuel tax, one-half of motor vehicle sales tax, use tax, and license and registration fees.



FY 01 Total \$1,164.8 Million

This chart illustrates where these highway user fees are spent; 61 percent of this revenue is available to MoDOT for improving the state's roads and bridges.



FY 01 Total \$1,164.8 Million

* excluding fuel tax refunds

What does the typical Missouri driver pay?

In FY01 the average Missouri driver paid \$302 in state fuel tax, vehicle sales and use taxes, and license and registration fees for vehicles and operators. Motorists may be surprised to learn that only \$184, or 61 percent, was spent on state highway improvements. The following chart breaks it down:

*State Highway User Fees Paid By The Average Missouri Driver**

Fuel tax, sales and use taxes, license and registration fees

Agency	Motorist Cost	Percent
MoDOT	\$184	61.0
Cities/Counties	\$65	21.4
Other State Agencies	\$51	16.8
Hancock Refunds	\$2	0.8
TOTAL	\$302	100.0

*highway user fees for roads and bridges collected, divided by number of licensed drivers in Mo.

-- \$302 paid by the average Missouri motorist

-- \$184 (61 percent) of that is available to MoDOT for state highway improvements